2018-19 DEDICATED SCHOOLS GRANT (DSG) UPDATE AND 2019-20 ESTIMATE

In the budget update it was noted that there had been no change in the resources allocated for 2018/19, but the budget requirement has increased by £99,000. This will result in an increase to the in-year deficit from £1.580m to £1.679m, and the overall Dedicated Schools Grant (DSG) overspend would increase to £4.7m. The main reason for the increased spending is the additional funding to fulfil statutory duties, of £131,000 for the Pupil Referral Unit; and the revisions in funding for Special Schools for real time movements.

The deficits in the DSG High Needs Block from 2015-16 to 2019-20 estimates, are increasing year on year and have increased by £7.851m from 2015/16. The funding in the High Needs Block is 41% of the block is based on historic spend (2017-18 baseline), a fixed amount for hospital education, with the remainder being allocated on population, health, low attainment and deprivation (updated annually for changes in pupil numbers from the October census and the ONS estimated population). The number of children changes from the census date and the needs of the children are tending to increase. The 2019-20 budget allocation has changed and the data includes an estimated reduction in Growth Funding of £745,000, and an increase in the High Needs funding for schools of £625,000.

As the deficit is more than one percent the DfE will require a recovery plan detailing the budget pressures, projections, movement between blocks and how the LA will recover from the deficit position over three years.

HIGH NEEDS PLACES 2019-20

The change in the number of pupils with an Educational Healthcare Plan (EHCP) has increased from 1160 in January 2015 to 1718 in January 2018, an increase of 558. The age spread of the pupils with plans was considered.

Special school places have to be commissioned ready for September 2019 and the method of funding is different than for maintained schools. There is base funding (Elements 1 and 2) of £10,000 and also Element 3 top-up funding. The number of places commissioned has increased to 890 places, an increase of 80 from 2018-19, at an additional cost of £659,000. A significant amount of the High Needs funding (Element 3) goes to mainstream schools.

2019-20 SCHOOLS FUNDING AND RESPONSE TO THE CONSULTATION

An outline of the questions and responses to the school funding consultation 2019/20 with schools were discussed. The Local Authority have the flexibility to set the Minimum Funding Guarantee (MFG) at 0% for 2019-20.

Further proposals to alleviate the pressure on the High Needs funding and to control the overall DSG deficit were considered.

As a result of the consultation the option recommended for approval provides a minimum funding level per pupil of £3,500 for primary and £4,800 for secondary schools. Also, for secondary schools IDACI is included at 10% NFF values together with a 1% transfer between the Schools Block and High Needs Block.

FORWARD PLAN

The next meeting of the Schools Forum is on Thursday 17 January 2019.